Microsoft
Enterprise
Agreement

Microsoft Enterprise *Agreement-* State and Local – NO SERVICES

CUSTOM – Special Reference Pricing

Enterprise Agreement number *Microsoft affiliate to complete*	O1E61322	Microsoft Business Agreement number *Reseller to complete*	U1973784

This Microsoft Enterprise Agreement is entered into between the following entities as of the effective date identified below. Each party will notify the other in writing if any of the information in the following table changes.

Customer

Name of Entity	The State of Georgia, acting by and through the Georgia Technology Authority		Contact Name **Lisa Mehalko** (This person handles access to online information. This person also receives notices unless a different contact for notices is provided in the notices section below.)
Street Address	100 Peachtree Street Suite 2300 Attn: Enterprise Contracts – Contracts Administration		Contact E-mail Address (Required for online access) — lmehalko@gta.ga.gov
City	Atlanta	State/Province GA	Phone — 404-463-4252
Country	USA	Postal Code 30303-3404	Fax — 404-651-5333
			Microsoft Account Manager Name — Bill Durham

Contracting Microsoft Affiliate

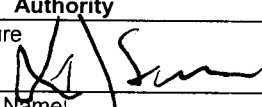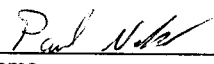MSLI, GP - 6100 Neil Road, Suite 210 - Reno, Nevada USA 89511-1137 - Dept. 551, Volume Licensing

If notices should be sent to someone or some place other than above, complete the relevant portions below:

Name of Entity		Contact Name	
Street address		Contact E-mail Address	
City	State/Province	Phone	
Country	Postal Code	Fax	

Notices to Microsoft should be sent to:
MSLI, GP
6100 Neil Road, Suite 210
Reno, Nevada USA 89511-1137
Dept. 551, Volume Licensing

Copies should be sent to:
Microsoft
Law and Corporate Affairs
One Microsoft Way
Redmond, WA 98052   USA
Volume Licensing Group
VLG-USA@Microsoft.com
(425) 936-7329 fax

This agreement consists of (1) this cover page, (2) the attached terms and conditions, (3) the terms of the Microsoft Business Agreement identified above (except that the definitions of "you," "we," and "us" in this agreement supersede the definitions for those terms in the Microsoft Business Agreement), (4) the Product List, (5) the product use rights applicable to products licensed under this agreement, and (6) any enrollment entered into under this agreement.

Effective date. If the first enrollment entered into under this agreement is given an effective date that is earlier than the date this agreement is signed by us, the effective date of this agreement will be that earlier date. Otherwise, this agreement will be effective on the date it is signed by us. *Consulting and Support Services shall not be included in this agreement, but shall instead be covered by separate agreement(s) between the parties.*

By signing below, the parties agree to be bound by the terms of this agreement, and you represent that you are the entity that signed the Microsoft Business Agreement, or an affiliate of that entity, and that the information you have provided on this cover page is accurate.

Customer	*Contracting Microsoft affiliate*
Name of Entity **The State of Georgia, acting by and through the Georgia Technology Authority**	**MSLI, GP**
Signature	Signature
Printed Name LARRY SINGER	Printed Name PAUL NELSON
Printed Title CIO	Printed Title CONTRACT ADMINISTRATOR
Signature Date 11/27/02	Signature Date (date Microsoft affiliate countersigns) **DEC 1 2 2002**
	Effective Date (may be different than our signature date) 12/1/02

Prepared by David Mills

Terms and Conditions

1. Definitions.

In this agreement, "you" means the entity that has entered into this agreement with us, and "we" or "us" means the Microsoft entity that has entered into this agreement or an enrollment. The terms "affiliate," "ownership," "product," "Product List," "run" and "use" have the meanings given to them in the Microsoft Business Agreement. In addition, the following definitions apply:

"additional product" means any product other than an enterprise product that an enrolled affiliate chooses to license under its enrollment;

"adjustment multiplier" means, with respect to a product family on the second anniversary of the effective date of an enrollment for which it is determined, a number by which the initial annual reference price is multiplied in order to determine the reference price for the third annual installment payment, pursuant to the terms and conditions of Section 13(e);

"aggregate family desktop count" means, with respect to a particular product family as of a particular annual pricing date, the aggregate number of qualified desktops under all unexpired enrollments for which one or more products in such family are chosen as enterprise products as of such date, including both (i) the original qualified desktops ordered under such unexpired enrollments, plus (ii) any additional qualified desktops added pursuant to true up orders;

"annual pricing date" means each of the following:

> *(i) the effective date of this agreement (the "first annual pricing date");*

> *(ii) the first day of the eleventh (11th) full calendar month following such first annual pricing date (the "second annual pricing date"); and*

> *(iii) the first day of the calendar month that occurs every 12 months following the second annual pricing date, until the last enrollment executed hereunder expires or is otherwise terminated.*

> *For example, if the first annual pricing date is November 1, 2002, then the second annual pricing date shall be October 1, 2003, and each subsequent annual pricing date shall occur on October 1 of each successive calendar year until the last enrollment hereunder expires or is otherwise terminated;*

"annual price level" means, with respect to a particular product family and as of a particular annual pricing period, the volume discount level, determined pursuant to the terms and conditions of Section 13(e), by which each of the following shall be determined, based upon the aggregate family desktop count for such product family as of the annual pricing date upon which such the determination of such level for such period is made:

> *(i) the initial annual reference prices of enterprise products in such product family for new enrollments with effective dates which occur in such annual pricing period; and*

> *(ii) the adjustment multiplier with respect to enterprise products in such product family for previously-executed enrollments whose second anniversary falls in such annual pricing period;*

"annual pricing period" means each period which:

> *(i) begins on the first annual pricing date, or any anniversary thereof; and*

> *(ii) ends twelve (12) full calendar months following the day it begins.*

> *For example, if the first annual pricing date is November 1, 2002, then: the first annual pricing period will run from November 1, 2002 to October 31, 2003; the second annual pricing period will run from November 1, 2003 to October 31, 2004; and so forth.*

Note that, with the exception of the first annual pricing period, each annual pricing period begins one month following the annual pricing date upon which the annual price level for such period is determined pursuant to Section 13(e). Such one-month period is necessary for us to calculate the annual price levels and reference prices for the subsequent annual pricing period, and to implement adjustments, if any, to the reference prices of third year installment payments for enrollments whose second anniversary falls in such subsequent period.

"available" means, with respect to a product, that we have made licenses for that product available for ordering under the Enterprise Agreement program;

"CAL family" means any of the following client access license ("CAL") products, when such products are chosen as enterprise products on an enrollment:

    (i)   *Microsoft BackOffice CAL;*

    (ii)   *Microsoft Core CAL;*

    (iii)   *Microsoft Windows Server CAL;*

    (iv)   *Microsoft Exchange Server CAL;*

    (v)   *Microsoft SQL Server CAL;*

    (vi)   *Microsoft Systems Management Server CAL; or*

    (vii) *Microsoft SharePoint Portal Server CAL;*

"component platform product" means any of the following enterprise products:

    (i)   *Microsoft Office Professional;*

    (ii)   *Microsoft Office Standard;*

    (iii)   *Microsoft Windows XP Professional Operating System Upgrades;*

    (iv)   *Microsoft Core CAL; and*

    (v)   *Microsoft BackOffice CAL;*

"ending price level" means, with respect to an enterprise product ordered pursuant to a particular enrollment, the volume discount level used to determine the adjustment multipliers applied to apply to the third year installments payment, second anniversary true up payment, and third anniversary true up payment, respectively, pursuant to the terms and conditions of Subsection 13(e)(4).

"enrolled affiliate" means an entity, either you or any one of your affiliates, that has entered into an enrollment under this agreement;

"enrollment" means the document that you or your affiliate submits under this agreement to sign up for the Enterprise Agreement program and make an initial selection of products;

"enterprise" means the enrolled affiliate and the affiliates it chooses on its enrollment to include in its enterprise;

"enterprise product" means any product that we designate as an enterprise product and that an enrolled affiliate chooses to license under its enrollment (enterprise products may only be licensed on an enterprise-wide basis under the Enterprise Agreement program);

"Government EA Price List" means the Microsoft State and Local Government Enterprise Agreement Price List that is provided on a monthly basis to each reseller, which contains the reference prices for both enterprise products and additional products.

"initial annual reference price" means, with respect to an enterprise product ordered pursuant to a particular enrollment, the annual per-desktop unit reference price for the first and second annual payments.;

"initial price level" means, with respect to each enterprise product licensed pursuant to a an enrollment executed hereunder, the volume discount level used to determine the initial annual reference price for such enterprise product;

"License" means any one of those offerings identified in the Product List (including standard licenses, and upgrades for desktop operating systems) that provides the right to run the version of the product for which it is ordered;

"L&SA" means a License and Software Assurance for any product ordered;

"Microsoft BackOffice Client Access License" and *"BackOffice CAL"* means each of the following client access license products, when purchased together as a suite:

    (i)   *Windows CAL;*

    (ii)   *Exchange CAL;*

    (iii)   *SQL CAL; and*

    (iv)   *SMS CAL*

    (note: BackOffice CALs may solely be purchased hereunder pursuant to enrollments that renew previous enrollments under which BackOffice CAL was included as an enterprise product, and may not be purchased pursuant to any non-renewal enrollments executed hereunder);

"Microsoft Core Client Access License" and *"Core CAL"* means each of the following client access license products, when purchased together as a suite:

    (i)   *Windows CAL;*

    (ii)   *Exchange CAL;*

    (iii)   *SharePoint CAL; and*

    (iv)   *SMS CAL;*

"non-renewal enrollment" means any enrollment executed hereunder that is not a renewal enrollment;

"Office family" means either of the following enterprise products: *(i)* Microsoft Office Professional; or (ii) Microsoft Office Standard;

"order" means an order on a form that is acceptable to the reseller

"original true up reference price" means, with respect to an enterprise product at the first, second or third anniversaries of an enrollment, respectively, the original per-additional-desktop unit reference price for the true up order due at such anniversary, as determined at the effective date of such enrollment pursuant to Section 13(e);

"platform enrollment" means any enrollment executed hereunder for which each of the following is a chosen enterprise product:

    (i)   *either (a) Office Standard or (b) Office Professional; and*

    (ii)   *Microsoft Windows Professional desktop operating system; and*

    (iii)   *either (c) BackOffice CAL or (d) Core CAL;*

"product family" means any of the following collections of enterprise products, as defined above: *(i)* Office family; (ii) Windows family; and/or (iii) CAL family;

"qualified desktop" means any personal desktop computer, portable computer, workstation or similar device that is used by or for the benefit of an enrolled affiliate or any affiliate included in its enterprise and that meets the minimum requirements for running any of the enterprise products. Qualified desktops do not include: (i) any computer that is designated as a server and not used as a personal computer, (ii) any system dedicated to run ONLY line-of-business software (e.g., an accounting or bookkeeping program used by an accountant, or a computer-aided design program used by an engineer or architect); or (iii) any

system running an embedded operating system (e.g. Windows 9.x for embedded, Windows XP embedded);

"renewal enrollment" means an enrollment executed hereunder pursuant to which a renewal order for enterprise products is made;

"renewal order" means the order that an enrolled affiliate submits at the beginning of any renewal term to renew Software Assurance coverage for products previously ordered under its enrollment;

"reseller" means a large account reseller authorized by us to resell licenses in an enrolled affiliate's area under the Enterprise Agreement program;

"Select Price List" means the Microsoft Select Agreement Price List that is provided on a monthly basis to each reseller, which contains the estimated retail prices for products made available pursuant to the Microsoft select program;

"Services" means product support or other services that an enrolled affiliate elects to purchase pursuant to a separate Microsoft Services Agreement;

"Software Assurance" means, for any underlying licensed product for which it is ordered, the right to upgrade to, and run, the latest version of that product that we make available during the covered period.

"unexpired enrollment" means, with respect to an annual pricing date, an enterprise enrollment under either (i) this agreement; or (ii) another Microsoft Enterprise Agreement to which either you or one of your affiliates is party, provided that such enrollment shall not have expired or been terminated prior to such annual pricing date; and

"Windows family" means the following enterprise product: Microsoft Windows XP Professional desktop operating system (or its successor).

2. How the Enterprise Agreement program works.

The Enterprise Agreement program gives customers that wish to license one or more of Microsoft's platform products across their enterprise the means to ensure that their entire enterprise will be licensed. You and your affiliates can participate in this program by submitting one or more enrollments under this agreement. On the enrollment, the enrolled affiliate will designate the scope of its enterprise and make the initial selection of enterprise products and any additional products it wishes to license. Each enrollment must include at least one of those products that we make available to license as an enterprise product. We may reasonably refuse to accept an enrollment. Product support is not included with the licenses under this agreement. Notwithstanding any other provision of this agreement, only enrolled affiliates identified in an enrollment will be responsible for complying with the terms of that enrollment, including the terms of this agreement incorporated by reference in that enrollment.

a. **Establishing price levels.** *The method by which price levels shall be determined as set forth in Section 13(e).*

b. **Deriving prices from price levels.** The enrolled affiliate's reference prices shall be determined as set forth in Section 13(e).

c. **How your enrolled affiliates acquire licenses.** Orders under an enrollment will be made out to and submitted to the enrolled affiliate's reseller. We will invoice that reseller according to the terms in the applicable enrollment. While such enrollment will contain reference prices, the reseller and the enrolled affiliate will determine the enrolled affiliate's actual price and payment terms.

d. **Choosing and maintaining a reseller.**

Resellers. Each enrolled affiliate that signs an enrollment must choose and maintain a reseller in the enrolled affiliate's area. Resellers are authorized to resell our product licenses, but act independently and have no authority to bind us.

Change of reseller. If an entity ceases to be a reseller, the enrolled affiliate must choose a replacement. If an enrolled affiliate intends to change its reseller, a change will only be effected on the next anniversary of the enrollment effective date. To change a reseller, the enrolled affiliate must notify us and the former reseller in writing, on a form that we provide, at least 30 days prior to the anniversary on which the change is to take effect. In the case of a change of reseller, the enrolled affiliate is responsible for ensuring that all its obligations to the former reseller are met.

3. *How to order enterprise product licenses.*

a. *Placing the initial order.* Each enrolled affiliate must submit an initial order for the enterprise products it selects on its enrollment. Except as provided in the following paragraph, the order must be for L&SA for all enterprise products.

When is the enrolled affiliate eligible to order only Software Assurance for an enterprise product? An enrolled affiliate may order Software Assurance for the enterprise products it selects without the need to simultaneously order a License if the enrolled affiliate or any of the affiliates in its enterprise have obtained perpetual licenses for that product on an enterprise-wide basis under a previous "Enterprise Enrollment" (defined below), and the new enrollment becomes effective no later than the day following the date of expiration of that "Enterprise Enrollment." The Software Assurance order must be for the number of qualified desktops covered as of the expiration of that "Enterprise Enrollment." For all other qualified desktops included in an enrollment submitted under this agreement, the enrolled affiliate must order L&SA.

The term "Enterprise Enrollment," as used in this section 3, means (i) a Microsoft Enterprise Select Agreement; (ii) an enterprise enrollment under a separate Microsoft Select Master Agreement or Microsoft Enterprise Agreement; (iii) any enterprise subscription enrollment entered into under a separate Microsoft Enterprise Subscription Agreement; or (iv) any other enrollment submitted under the Microsoft Enterprise Agreement identified on the cover page.

b. *Adding new enterprise products.* An enrolled affiliate may only add new enterprise products by entering into a new enrollment.

c. *Placing annual "true up" orders to account for additional desktops.* Each enrolled affiliate must determine the current number of qualified desktops in its enterprise: (i) at each anniversary of the effective date of its enrollment (including anniversaries during any renewal); and, (ii) at the expiration or early termination of its enrollment.

- **If the desktop count has increased.** If the number of qualified desktops has increased, the enrolled affiliate must submit an order for L&SA covering those additional desktops. The enrolled affiliate must place the order within 15 days following the anniversary of the enrollment effective date, expiration or termination.

- **If the desktop count has not increased.** If the number has not increased, the enrolled affiliate must submit an update statement confirming this fact on the form we provide within that 15-day period.

d. *Reorganizations, Consolidations, and Privatizations.* If the number of qualified desktops in an enterprise changes by more than ten percent as a result of a reorganization, consolidation or privatization of an enrolled affiliate, we will work with the enrolled affiliate in good faith to determine how to accommodate its changed circumstances in the context of this agreement. If an enrolled affiliate consolidates with a customer with an existing "Enterprise Enrollment," we will work with the enrolled affiliate in good faith to accommodate its changed circumstances in the context of this agreement.

4. *How to order additional product licenses.*

a. **Placing the initial order.** Each enrolled affiliate must submit an initial order for the additional products it has selected, if any, on its enrollment. Except as provided in the following paragraph, the order must be for L&SA for all copies of those additional products.

When is the enrolled affiliate eligible to order only Software Assurance for an additional product? An enrolled affiliate may order Software Assurance for additional products it selects without the need to simultaneously order a License if the enrolled affiliate or any of the affiliates it includes in its enterprise has obtained perpetual licenses for those products with Upgrade Advantage, Software Assurance or any similar upgrade protection, and the new enrollment becomes effective no later than one day following the expiration of that upgrade protection. The order may be for up to the number of copies covered by such upgrade protection. An enrolled affiliate may also order Software Assurance alone in any other circumstances expressly permitted in the Product List. For all other copies included in an enrollment submitted under this agreement, the enrolled affiliate must order L&SA.

b. **Adding new additional products not previously ordered.** Each enrolled affiliate may, during the remainder of the applicable initial enrollment or renewal term, run new additional products under its enrollment that were not part of the initial order. To do so, the enrolled affiliate must order L&SA in the month in which the product is first run, covering all copies of that product run as of the date of the order. For any additional copies of that product run after the date of that order, the enrolled affiliate must submit orders as described in subsection 4(c) (Placing annual "true up" orders to account for additional copies) below.

c. **Placing annual "true up" orders to account for additional copies.** Each enrolled affiliate may, during the remainder of the applicable initial enrollment or renewal term, run additional copies of those additional products it previously ordered under subsections (a) and (b), provided that the enrolled affiliate places a true up order for L&SA for those additional copies. The enrolled affiliate must submit an order within 15 days after the next anniversary of the effective date of the enrollment (including anniversaries occurring during any renewal) following the date on which those copies were first run. For additional copies first run in the year in which an enrollment expires or is terminated, the enrolled affiliate must submit an order within 15 days following the expiration or termination date.

d. **Update statements.** Each enrolled affiliate must submit an update statement within 15 days following each anniversary of the effective date of its enrollment, and after expiration or termination of its enrollment, on a form we provide, unless that enrolled affiliate (i) is running only enterprise products under its enrollment, and (ii) it is not otherwise required to submit an update statement under subsection 3(c) (Placing "true up" orders to account for additional desktops) above.

5. How to confirm orders.

We will publish information about orders placed by each enrolled affiliate, including an electronic confirmation of each order, on a secure site on the World Wide Web at http://licensing.microsoft.com or a successor site that we identify. Upon our acceptance of this agreement and enrollments entered into under this agreement, the contact identified for this purpose on the cover page will be provided access to this site.

6. License grant -- what your enrolled affiliates are licensed to run.

Upon our acceptance of the enrollment, the enrolled affiliate has the following rights during the term of its enrollment.

- **For enterprise products.** The enrolled affiliate may run one copy of the latest version (or any prior version) of each enterprise product, on each qualified desktop. By including affiliates in its enterprise, the enrolled affiliate sublicenses this right to each of them subject to the terms of this agreement.

- **For additional products.** The enrolled affiliate may run the number of copies of each additional product ordered in the latest version (or any prior version). If an affiliate included in any enrolled affiliate's enterprise runs any copies of an additional product under this agreement, those copies are sublicensed from that enrolled affiliate subject to the terms of this agreement.

The right to run any product licensed under an enrollment is temporary until:

(i) the enrolled affiliate has paid all installments of the price for that product license and the applicable initial enrollment or renewal term during which that product license was ordered has expired or been renewed, or

(ii) the enrolled affiliate is otherwise entitled to perpetual licenses upon early termination as provided in subsection 12(c) (Termination of an enrollment).

Thereafter, the enrolled affiliate will have perpetual licenses to run the latest version available as of such date of expiration, renewal or termination (or any prior version), of each enterprise product in a number of copies equal to the total number of qualified desktops covered by the enrollment; and each additional product in the number of copies ordered during the applicable initial enrollment term or renewal term. In the case of early termination as provided in subsection 12(c) (Termination of an enrollment), if an enrolled affiliate chooses only to pay amounts due and payable as of the termination date, then the enrolled affiliate will instead have perpetual licenses for the number of copies specified in subsection 12(d) (Effect of termination or expiration).

Any perpetual licenses received through Software Assurance supersede and replace the underlying perpetual licenses for which that Software Assurance coverage was ordered. All perpetual licenses acquired under this agreement remain subject to the terms of this agreement and the applicable product use rights.

This agreement, the applicable enrollment, the enrolled affiliate's order confirmation described in section 5 (How to confirm orders) above, and any documentation evidencing transfers of licenses as described in subsection 11(a) (How to transfer), together with proof of payment, will be the enrolled affiliate's evidence of all licenses obtained under its enrollment.

7. *How to know what product use rights apply.*

The product use rights applicable to products licensed under each enrollment are as follows.

a. ***For latest versions available as of an enrollment effective date.*** For the latest version of any product available on or before the enrollment effective date, the product use rights in effect on the enrollment effective date for that product and version apply.

b. ***For versions and products that become available after an enrollment effective date.*** For any version of any existing product, or any new product, first made available after the enrollment effective date, the product use rights in effect on the date on which the version or product first becomes available apply (subject to our commitment on use rights below).

c. ***For versions of a product that predate the latest version available as of an enrollment effective date.*** If an enrolled affiliate is using a version of any product licensed under its enrollment that became available prior to the version that was current on the enrollment effective date, the enrolled affiliate's use of the earlier version will be governed by the product use rights that would apply if the enrolled affiliate were using the version licensed under the enrollment, or in the case of Software Assurance or L&SA, the latest version that is or becomes available at any time during its enrollment.

d. ***Microsoft's commitment on use rights.***

For all products – use rights fixed by version. We will not change an enrolled affiliate's product use rights under this agreement for any version of a product after it becomes available to that enrolled affiliate under its enrollment.

For enterprise products – no detrimental use right changes in new versions.

(i) **For new versions made available during the initial enrollment term.** If we make available a new version of any enterprise product during the initial enrollment term and that new version is subject to certain use rights that are more restrictive than those that applied to a prior version under an enrollment that was or became available during the initial enrollment term, the enrolled affiliate may run that new version without being subject to those certain more restrictive use rights.

(ii) **For new versions made available during each renewal term.** Upon each renewal of Software Assurance for an enterprise product, an enrolled affiliate's use of that product will be governed by the use rights that apply to the latest version of that product available as of the date of that renewal, including any terms that are more restrictive than those that applied to a previous version of that product licensed by that enrolled affiliate under its enrollment during the preceding term. However, if during a renewal term we make available a new version of that same enterprise product with certain use rights more restrictive than those use rights that applied to a prior version licensed under an enrollment that was or became available during that same term, the enrolled affiliate may run the new version without being subject to those certain more restrictive use rights.

(iii) **New features or functionality.** The right described in subsections (i) and (ii) above does not apply to product use rights that relate specifically to new features or functionality added to a new version.

In lieu of your obligation to indemnify us under various provisions of the product use rights, you will be responsible for any cost or damages arising from any claim to which your indemnity obligation would otherwise apply.

8.   No Services.

Notwithstanding any offerings that may exist for our non-government customers, services shall not be offered pursuant to this agreement, but may be obtained pursuant to a separate Microsoft Services Agreement which you may choose to enter into.

9.   Software Assurance Membership.

Throughout the term of its enrollment (including any renewal), each enrolled affiliate automatically qualifies as a member of Microsoft's Software Assurance Membership program. Membership may entitle the enrolled affiliates to special benefits. For a description of these benefits, an enrolled affiliate should consult its reseller or Microsoft account manager.   \

10.   Making copies of software.

a. **Copies necessary for internal deployment.** Each enrolled affiliate may make as many copies of the products licensed under its enrollment as necessary to distribute the products to the users within its enterprise. All copies of any product must be true and complete copies (including copyright and trademark notices) and be made from CD-ROMs, disk sets or a network source, acquired from or made available by a Microsoft approved fulfillment source for that product. Each enrolled affiliate may also have a third party make and distribute copies in its place, but the enrolled affiliate is responsible for third-party actions to the same extent it would be if the third party were its employee. You and your affiliates must make reasonable efforts to make employees, agents and other individuals running a product aware that the product is licensed from us and may only be run or transferred subject to the terms of this agreement.

b. **Copies for training, evaluation and back-up.** During the term of its enrollment (including any renewal), each enrolled affiliate and any affiliate included in its enterprise may (i) run up to 20 complimentary copies of any additional product in a dedicated training facility on their premises; (ii) run up to 10 complimentary copies of any product that we make available to license as an additional product for a 60-day evaluation period; and (iii) make and retain one complimentary

copy of any licensed product for back-up or archival purposes for each of their distinct geographic locations.

c. **Re-imaging rights.** If an enrolled affiliate or any affiliate included within its enterprise has licensed products from an original equipment manufacturer (OEM), through a retail source or under any Microsoft program other than this Enterprise Agreement program, it may use copies made from the media provided under the enrolled affiliate's enrollment in place of any copies made from the media provided through that separate source, so long as it complies with the following restrictions.

(i) The enrolled affiliate must have obtained a separate license from the separate source for each copy being replaced.

(ii) The product, language, version and all components (in the case of product suites, such as Office) of the copies made from the media provided under an enrollment must be identical to the product, language, version and all components of the copies they replace.

(iii) In the case of copies licensed from an original equipment manufacturer (OEM) or through a retail source, in addition to the other conditions outlined in this subsection 10(c), the product type (e.g. upgrade or full license) of the copies made from the media provided under an enrollment must be identical to the product type of the copies they replace. However, an enrolled affiliate may use copies of a desktop operating system made from the media provided under its enrollment in place of copies of the same desktop operating system obtained from a separate source, even though they may be of different types (i.e. one may be an upgrade and the other a full license), provided that the product, language and version are identical.

The use of any copies made under this subsection 10(c) is subject to the terms and use rights provided with the copies being replaced, and nothing in this section creates or extends any warranty or support obligation.

11. Transferring licenses.

a. **How to transfer.** An enrolled affiliate may transfer perpetual licenses ordered under an enrollment to an affiliate, or to an unaffiliated third party in connection with a privatization of the enrolled affiliate, as long as the enrolled affiliate provides us with prior written and signed notice, on a form that we provide, that includes: (i) the applicable enrollment number; (ii) the quantity of licenses being transferred by product and version; (iii) the name, address and contact information of the transferee; and (iv) any other information that we may reasonably request.

For all other transfers of licenses, our written consent is required. We will not withhold our consent unreasonably. No license transfer will be valid unless the transferee accepts in writing the applicable product use rights, use restrictions, limitations of liability, and the transfer restrictions in this section 11. Any transfer made in violation of the requirements or restrictions of this section will be void.

b. **When transfers are not permitted.** An enrolled affiliate may not transfer (i) licenses on a short-term basis, (ii) temporary rights to use products, (iii) Software Assurance coverage, (iv) perpetual licenses for any version of any product acquired through Software Assurance separately from the underlying perpetual licenses for which that Software Assurance coverage was ordered; or (v) upgrade licenses for a desktop operating system product separately from the underlying desktop operating system license or from the computer system on which the product is first installed.

12. Term, termination and renewal.

a. **Term.** This agreement will remain in effect unless it is terminated by either party as described below. Each enrollment will have the term provided in that enrollment.

b. **Termination of this agreement.** Either party may terminate this agreement for any reason upon 60 days written notice.

Effect of termination. Such termination will merely terminate either party's and its affiliates' ability to enter into new enrollments under this agreement. Such termination will not affect any enrollment not otherwise terminated, and any terms of this agreement applicable to any enrollment not otherwise terminated will continue in effect with respect to that enrollment.

c. **Termination of an enrollment - general.** Either party to an enrollment may terminate it if the other party materially breaches its obligations under this agreement, including any obligation to submit orders or pay amounts owed (even if such non-payment is caused by non-appropriation of funds). If we terminate an enrollment, we may also terminate this agreement and all other enrollments under it, unless the basis for termination of the enrollment is non-appropriation of funds to the enrolled affiliate, in which event we may only terminate the affected enrollment. Except where the breach is by its nature not curable within 30 days, the terminating party must give the other party 30 days notice and opportunity to cure. If we give such notice to an enrolled affiliate, we will give you a copy of that notice as well. If an enrolled affiliate ceases to be your affiliate, you must promptly notify us of this fact, and we may terminate its enrollment.

d. **Termination of an enrollment – non-appropriation of funds.** An enrolled affiliate may terminate an enrollment without liability, penalty or further obligation to make payments, but subject to Section 12(e), below (Effect of expiration or termination), if funds to make payments under the enrollment are not appropriated or allocated for such purpose.

e. **Effect of termination or expiration.** Upon expiration or termination of any enrollment, the enrolled affiliate must order licenses for all copies of products it or its affiliates have run under its enrollment for which the enrolled affiliate has not previously submitted an order. Except as provided in the next paragraph, in the event of termination, all unpaid installments of the purchase price for any licenses will immediately become due and payable, and the enrolled affiliate will be entitled to perpetual licenses only after all such payments have been made.

If (i) an enrolled affiliate terminates its enrollment as a result of our breach, or (ii) we terminate an enrolled affiliate's enrollment because it has ceased to be your affiliate, or (iii) you terminate an enrollment for non-appropriation of funds, or (iv) we terminate an enrollment for non-payment due to non-appropriation of funds, then the enrolled affiliate will have the following options. It may immediately pay the total remaining amount due, including all installments, in which case the enrolled affiliate will have perpetual licenses for all copies of the products it has ordered. As an alternative, it may pay only amounts due and payable as of the termination date, in which case the enrolled affiliate will have perpetual licenses for (i) all copies of all products for which payment has been made in full, and (ii) the number of copies of products for which payment has been made in installments that is proportional to the amount that has been paid as of the termination date.

a. **How to renew an enrollment.** We will provide each enrolled affiliate with 60 days prior written notice of expiration of its enrollment or renewal term advising it of its renewal options. An enrolled affiliate may have the option to renew its enrollment for successive terms of 12 or 36 full calendar months. We and our affiliates will not unreasonably reject any renewal order. However, we may make a change to the Enterprise Agreement program that will make it necessary for you and your enrolled affiliates to enter into new agreements and enrollments.

Placing renewal orders. To renew, the enrolled affiliate must submit a renewal order within 30 days after the previous term expired. The renewal order must be for Software Assurance for (i) all enterprise products previously ordered for all qualified desktops in the enrolled affiliate's enterprise as of the date of that renewal order, and (ii) all copies of additional products for which the enrolled affiliate elects to renew Software Assurance. Each renewal term will start the day following expiration of the prior term. An enrolled affiliate may not add new enterprise products

not previously ordered during the initial term as part of its renewal; to license new enterprise products it must submit a new enrollment.

Consequences of non-renewal. If the enrolled affiliate elects not to renew its enrollment or Software Assurance for any additional product under its enrollment, and it otherwise allows Software Assurance for any copies of any products licensed under its enrollment to lapse, then the enrolled affiliate will not be permitted to order Software Assurance for such copies later without first acquiring L&SA.

13. *Miscellaneous.*

a. ***Entire agreement.*** The documents identified on the cover page to this agreement constitute the entire agreement concerning the subject matter and supersede any prior or contemporaneous communications. In the case of a conflict between any of these documents that is not resolved expressly in the documents, their terms will control in the following order: (i) the Microsoft Business Agreement; (ii) these terms and conditions and the accompanying cover page; (iii) the Product List; (iv) the product use rights; and (v) all other enrollments under this agreement. The terms of any purchase order or any general terms and conditions you or your affiliates maintain, other than those mandatory terms required by statute or regulation, do not apply. This agreement (except the product use rights and the Product List) can be changed only by an amendment signed by both parties.

b. ***Survival.*** Provisions regarding product use rights, restrictions on use, evidence of perpetual licenses, transfer of licenses, warranties, limitations of liability, confidentiality, compliance verification and obligations on termination or expiration will survive termination or expiration of this agreement or any enrollment.

c. ***Independent contractors.*** Resellers are independent contractors who act in their own name and for their own account; they have no authority to bind or impose any obligation or liability upon us.

d. ***Copyright Violation***. Except to the extent you are licensed under this agreement, you will be responsible for your violation of our copyright in the products, including payment of license fees specified in this agreement for unlicensed use.

e. ***Determination of reference prices***. *Reference prices for additional products and enterprise products shall be determined as follows:*

Determination of pricing for additional products.

During the term of each enrollment executed hereunder, and provided that you are party to a Microsoft Select Agreement (or its successor) during such term, the volume discount level for each additional product ordered pursuant to such enrollment shall be the volume discount level that corresponds to the applicable volume discount level for the product pool in which such product is available pursuant to such Microsoft Select Agreement. For example, if Microsoft Project, which is a member of the Applications pool, is ordered as an additional product, and if, as of the date of such order, the Select volume discount level for the Applications pool is "Level D," then the additional product reference price for such copy of Microsoft Project shall be determined according to the then-current Level D additional product price list.

Should you cease to be party to a Microsoft Select Agreement (or its successor) during the term of this Enterprise Agreement, then the volume discount level for each additional product in each annual pricing period shall be determined based upon such annual pricing period's aggregate family desktop count for the product family in which such additional product is contained, pursuant to the following table:

Aggregate Family Desktop Count	Additional Product Price Level
Fewer than 2,400	A
2,400 - 5,999	B
6,000 - 14,999	C
15,000 or more	D

Determination of pricing for enterprise products.

(1) Annual price levels. For each product family and for each annual pricing period, we will determine an annual price level, pursuant to Table 1 in Addendum A, by matching the aggregate family desktop count for such family (as of the annual pricing date which immediately precedes such annual pricing period) with the column marked "Annual Price Level Name."

For example, the annual price level for the Office family during an annual pricing period that runs between October 1, 2003 and September 30, 2004, shall be determined according to Table 1 in Addendum A by counting the aggregate number of qualified desktops, in unexpired enrollments which contain Microsoft Office or Microsoft Office Professional as enterprise products, as of September 1, 2003. If such aggregate count is between 15,000 and 39,999 qualified desktops, the annual price level will be "D"; if the count is between 40,000 and 59,999, the annual price level will be the "40K Premium Level"; and so on.

(2) Establishing component product reference prices for new enrollments. The Government EA Price List provided to resellers generally contains reference prices for the following common enterprise products:

- *Microsoft Office Professional;*

- *Microsoft Windows XP Professional Operating System Upgrades;*

- *Microsoft Core CAL; and*

- *Microsoft Desktop Professional (which is a suite composed of the preceding three component products, and the reference price for which is equal to the sum of the three component reference prices less the applicable platform discount).*

For the purposes of the agreement, the Government EA Price List entry for Microsoft Desktop Professional shall not apply, since this section 13(e) provides an alternate and equivalent means by which the three component products thereof shall be priced. Rather, the components of Microsoft Desktop Professional shall be sold as separate line items to the reseller. This is necessary in order that the annual price levels which apply to each of the three product families which contain the components may be adjusted separately, as set forth below.

On each annual pricing date, we will establish a list of initial annual reference prices and original true up reference prices for enterprise products (collectively, "initial prices") for each of the most commonly requested enterprise products, plus any other enterprise products for which you may have requested reference prices. We will provide your reseller(s) with such reference prices, and the corresponding confidential reseller costs, and will also provide you with such reference prices.

Such initial prices shall apply to all new enrollments signed during the annual pricing period which immediately follows such annual pricing date, but not thereafter, unless different initial prices are agreed upon in writing between us and an enrolled affiliate (or you) based upon certain exceptions to standard terms including (but not limited to) applied credits and/or uplifts for cost of money in deferred payment schedules.

Initial prices for each enterprise product shall be calculated, using the following formulas, using such product's standard license estimated retail price ("L") (except as noted in the following sentence) and one-year Software Assurance estimated retail price ("SA") pursuant to the Select Price List which is in effect as of the annual pricing date upon which the determination is being made. For the purposes of determining the value of "L" solely with respect to the Windows Professional Upgrade, sixty percent (60%) of the Select estimated retail price of such Upgrade shall be used. The Select volume discount level to be used for such L and SA price (level A, B, C, or D) shall be determined pursuant to Table 1 in Addendum A by matching the aggregate family desktop count for the applicable product family (as of the annual pricing date which immediately precedes such annual pricing period) with the column marked "EA / Select Price List Volume Level."

(i)   *for orders of License & Software Assurance on an initial order made pursuant to a non-renewal enrollment, the initial annual reference price shall be calculated according to the following formula:*

> *{ [L + (3 x SA)] x 0.85, divided by 3 }, less an additional premium level discount (if applicable) and/or platform discount (if applicable) pursuant to the terms and conditions below governing such additional discounts.*

(ii)   *for orders of Software Assurance on an initial order made pursuant to a renewal enrollment, the initial annual reference price shall be calculated according to the following formula:*

> *SA x 0.95, less an additional premium level discount (if applicable) and/or platform discount (if applicable) pursuant to the terms and conditions below governing such additional discounts;*

(iii) *for orders of License & Software Assurance on the first anniversary true up order made pursuant to either a renewal enrollment or a non-renewal enrollment, the original true up reference price shall be calculated according to the following formula:*

> *{ L + (2.5 x SA) } x 0.85, less an additional premium level discount (if applicable) and/or platform discount (if applicable) pursuant to the terms and conditions below governing such additional discounts;*

(iv)   *for orders of License & Software Assurance on the second anniversary true up order made pursuant to either a renewal enrollment or a non-renewal enrollment, the original true up reference price shall be calculated according to the following formula:*

> *{ L + (1.5 x SA) } x 0.85, less an additional premium level discount (if applicable) and/or platform discount (if applicable) pursuant to the terms and conditions below governing such additional discounts; and*

(v)   *for orders of License & Software Assurance on the third anniversary true up order made pursuant to either a renewal enrollment or a non-renewal enrollment, the original true up reference price shall be calculated according to the following formula:*

> *{ L + (0.5 x SA) } x 0.85, less an additional premium level discount (if applicable) and/or platform discount (if applicable) pursuant to the terms and conditions below governing such additional discounts.*

The results of each of the above calculations will be rounded to the nearest penny.

For example, if, at the annual pricing date which immediately precedes an annual pricing period, the standard license estimated retail price (L) for an enterprise product is $100.00 per desktop, and the one-year Software Assurance estimated retail price is $25.00 per desktop, then:

- *The initial annual reference price for License & Software Assurance for a non-renewal enrollment during such annual pricing period will be:*

{ [$100.00 + (3 x $25.00)] x 0.85, divided by 3 } = $49.58 per desktop per year, less platform discount (if any), less premium level discount (if any);

- *The initial annual reference price for Software Assurance for a renewal enrollment during such annual pricing period will be:*

$25.00 x 0.95 = $23.75 per desktop per year, less platform discount (if any), less premium level discount (if any);

- *The original true up reference price for License & Software Assurance at the first anniversary of the effective date of either a renewal or non-renewal enrollment during such annual pricing period will be:*

{ $100.00 + (2.5 x $25.00) } x 0.85 = $138.13 per desktop, less platform discount (if any), less premium level discount (if any);

- *The original true up reference price for License & Software Assurance at the second anniversary of the effective date of either a renewal or non-renewal enrollment during such annual pricing period will be:*

{ $100.00 + (1.5 x $25.00) } x 0.85 = $116.88 per desktop, less platform discount (if any), less premium level discount (if any);

- *The original true up reference price for License & Software Assurance at the third anniversary of the effective date of either a renewal or non-renewal enrollment during such annual pricing period will be: and*

{ $100.00 + (0.5 x $25.00) } x 0.85 = $95.63 per desktop, less platform discount (if any), less premium level discount (if any).

(3) Additional discounts applied to initial prices for components. After calculating initial prices for each component enterprise product pursuant to the above formulas, the following additional discounts may be applied to such prices, subject to the terms and conditions below:

- *(A)   A "platform discount" will be applied to component platform products (e.g. Microsoft Office Professional) ordered pursuant to platform enrollments, but not to other enterprise products, if any (e.g. Microsoft Project), in such platform enrollments. Such platform discounts are as follows:*

   - *(i)   15% for initial orders of License & Software Assurance on non-renewal enrollments;*

   - *(ii)   5% for initial orders (but not true up orders) of Software Assurance for renewal enrollments; and*

   - *(iii)   15% for true up orders of License & Software Assurance for both renewal enrollments and non-renewal enrollments.*

   For example, if the initial annual reference price of a component product in a non-renewal platform enrollment, before the platform discount is applied, is $100.00, the platform discount will be $15.00, and the resulting initial annual reference price will be

   { $100.00 - $15.00 } = $85.00.

- *(B)   A "premium level discount" will be applied to an enterprise product, provided that the aggregate family desktop count that applies to such product is equal to or greater than 40,000 qualified desktops. The amount of such premium level discount shall be determined according to Table 1 in Addendum A, by matching the aggregate family desktop count for the applicable product family (as of the*

annual pricing date which immediately precedes such annual pricing period) with the applicable column under the heading "Premium Level Discount." Such premium level discount (if any) will be applied before applying a platform discount (if any).

For example, if the initial annual reference price of a component product in a non-renewal platform enrollment, before the platform discount and premium level discount are applied, is $100.00, and the aggregate desktop count for the product family is 60,000 qualified desktops, then a corresponding premium level discount of 4% will be applied (i.e. a discount of $4.00), so the resulting initial annual reference price before the platform discount is applied will be:

$$\{ \$100.00 - \$4.00 \} = \$96.00.$$

The platform discount applied will be 15% of $96.00, which is $14.40, so the resulting annual reference price after the platform discount is applied will be

$$\{ \$96.00 - 14.40 \} = \$81.60.$$

The results of each of the above discount calculations will be rounded to the nearest penny. Such discounts will be provided so long as they are made generally available to all volume licensing customers. If the amount of either such generally available discount is increased, decreased, or eliminated, such increase, decrease or elimination will apply to the annual pricing period which immediately follows such event.

Table 4 and 5 in Addendum A show the initial annual reference prices and original true up reference prices, respectively, that shall apply during the first annual pricing period. We will provide you with new initial annual reference prices on or before the first day of each subsequent annual pricing period.

(4) _Price adjustments for third annual installment and true up payments upon sustained change of annual price level_.

The unit reference prices of the following payments (collectively, the "adjustable payments") are subject to change ("adjustment"), provided that the state's annual price level has increased or decreased, relative to the initial price level, as of both the first and second anniversaries of an enrollment:

(i)   the third annual installment payment for the qualified desktops ordered pursuant to the initial order;

(ii)   additional qualified desktops (if any) ordered pursuant the second anniversary true up order; and

(iii)   additional qualified desktops (if any) ordered pursuant the third anniversary true up order.

Such adjustment in unit reference price will be determined separately for each product family, pursuant to Tables 2 and 3 in Addendum A. The adjustment multiplier for each applicable product family on an enrollment is determined in such table by finding the intersection of (i) the column which corresponds to the initial price level, and (ii) the line which corresponds to the ending price level. The adjustment multiplier applicable to each product family will then be multiplied by the initial annual reference price for each applicable enterprise product in such product family, in order to determine the new reference prices for the adjustable payments.

For the purposes of this Subsection 13(e)(4), one annual price level is "higher" than another volume level if the minimum aggregate family desktop count requirement for such level is greater than that for the second level, and one annual price level is "lower" than another volume level if the minimum aggregate family desktop count requirement for such level is lower than that for the

second level. For example, Level D is higher than Level C, and the 40K Premium Level is lower than the 60K Premium Level.

In the event that your annual price level becomes lower in one annual pricing period than in the previous year, we (or the reseller on our behalf) will send a written notice to each enrolled affiliate that executed an enrollment during the previous annual pricing period, advising such enrolled affiliate that a price increase may occur for the third annual installment payment pursuant to its enrollment in the event that the subsequent annual price level has not increased to a level equal to or greater than the initial annual price level. Such notice will be delivered at least 12 months prior to the date upon which such third annual installment payment will become due.

The ending price level shall be determined for each product family on each enrollment according to the relationship between initial price level and the annual price levels for the first and second anniversaries, respectively, according to the following table:

Annual Price Level Criteria:			Examples with sample price levels:			
If the first anniversary price level is:	and the second anniversary price level is:	then the ending price level will be:	Initial Annual Price level	First Anniversary Annual Price Level	Second Anniversary Annual Price Level	Ending Price Level
the same as the initial price level	any level	The initial price level	C	C	Any Level	C
Higher than the initial price level	the same or higher than the first anniversary price level	The first anniversary price level	B	C or D	C or D	C
Higher than the initial price level	lower than the first anniversary price level but higher than the initial level	the second anniversary price level	B	D	C	C
Higher than the initial price level	the same as or lower than the initial price level	The initial price level	B	C	A or B	B
Lower than the initial price level	the same or lower than the first anniversary price level	The first anniversary price level	C	B	A or B	B

Lower than the initial price level	higher than the first anniversary price level but lower than the initial level	the second anniversary price level	C	A	B	B
Lower than the initial price level	the same as or higher than the initial price level	The initial price level	C	A or B	C or D	C

(5)   Special price level for enrollments executed during the first annual pricing period ("year 1 enrollments").

As an exception to the foregoing, the parties agree that the initial price level for each product family for the first annual pricing period shall be the 80K Premium Level, notwithstanding the fact that the actual aggregate family desktop counts are as follows:

- *Office Family: 57,762*

- *Windows Family: 57,762*

- *CAL Family: 57,762*

This allowance is based upon the parties' good faith estimate that the aggregate family desktop count in all product families will surpass 80,000 qualified desktops as of the second annual pricing date, and will remain above 80,000 beyond the third annual pricing date.   For the purposes of calculating an end pricing level for such year 1 enrollments, the first anniversary price level and second anniversary price levels shall be determined pursuant to the normal terms of this Section 13(e) above.

(6) Additional terms and conditions.

You acknowledge, on behalf of your enrolled affiliates, that the reference prices for the third annual payment of certain enrollments, along with true up payments due at their second and third anniversaries, respectively, may increase pursuant to the terms of this Section 13(e).   It is recommended that affiliates not enter into enrollments hereunder unless (a) they are aware of such possibility that their price may increase as stated above; and (b) they anticipate that sufficient budget will be approved to cover such increased payment amount.

You acknowledge and agree that there may be certain instances in which the reference prices of certain enterprise products in certain enrollments executed by your affiliates, whether under this Enterprise Agreement or otherwise under a separate Enterprise Agreement or Enterprise Subscription agreement, may be adjusted in ways that vary from the adjustments agreed upon in this Section 13(e), pursuant to separate agreement between the enrolled affiliate and us.   Such instances may include, but are not limited to, those enrollments: (i) that were executed prior to this enterprise agreement; (ii) that contain other enterprise products than those in the three product families defined herein; (iii) for which we negotiate a special payment schedule or ramped installment payments upon the condition that the reference price of such enrollment be uplifted to account for the time value of money; and (iv) for which a special price is negotiated to match the equivalent Microsoft Select estimated retail price for sufficient licenses, such as to account for unexpired Upgrade Advantage and/or Software Assurance.

Reference prices are provided only for the purpose of comparison.   Actual pricing and payment terms will be determined by agreement between each enrolled affiliate and its chosen reseller.

All adjustments to reference prices defined herein will correspond to a proportional adjustment we will make to the reseller's confidential cost.

You agree to assist us in making eligible affiliates aware of the general terms, conditions, and benefits of entering into an Enrollment, by:

(i)   *posting such information a website accessible to each such affiliate;*

(ii)   *broadcasting an email announcement of such terms, conditions and benefits to all Information Technology Directors or similar officers within prospective Participating Affiliates; and*

(iii)   *participating, upon our request and as your schedule reasonably permits, in conference calls with such prospective Participating Affiliates, to discuss such terms, conditions, and benefits.*

Table 1: Volume Level Determinations

Aggregate Family Desktop Count	Annual Price Level Name	EA / Select Price List Volume Level	Premium Level Discount
250 - 2,399	Level A	Level A	N/A
2,400 - 5,999	Level B	Level B	N/A
6,000 - 14,999	Level C	Level C	N/A
15,000 - 39,999	Level D	Level D	N/A
40,000 - 59,999	40K Premium Level	Level D	2.00%
60,000 - 79,999	60K Premium Level	Level D	4.00%
80,000 - 119,999	80K Premium Level	Level D	6.00%
120,000 - 299,999	120K Premium Level	Level D	7.50%
300,000 - 499,999	300K Premium Level	Level D	9.00%
500,000 or more	500K Premium Level	Level D	10.00%

Table 2: Adjustment Multipliers for 3rd year payments:

		Initial Price Level									
		Level A	Level B	Level C	Level D	40K Premium Level	60K Premium Level	80K Premium Level	120K Premium Level	300K Premium Level	500K Premium Level
Ending Price Level	Level A	1.000	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070
	Level B	0.847	1.000	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070
	Level C	0.652	0.819	1.000	1.070	1.070	1.070	1.070	1.070	1.070	1.070
	Level D	0.456	0.637	0.833	1.000	1.040	1.070	1.070	1.070	1.070	1.070
	40K Premium Level	0.404	0.588	0.789	0.959	1.000	1.041	1.070	1.070	1.070	1.070
	60K Premium Level	0.350	0.538	0.743	0.917	0.958	1.000	1.042	1.070	1.070	1.070
	80K Premium Level	0.294	0.486	0.695	0.872	0.915	0.957	1.000	1.032	1.064	1.070
	120K Premium Level	0.250	0.445	0.657	0.838	0.881	0.924	0.968	1.000	1.032	1.054
	300K Premium Level	0.205	0.403	0.619	0.802	0.846	0.890	0.934	0.967	1.000	1.022
	500K Premium Level	0.174	0.374	0.592	0.778	0.822	0.867	0.911	0.944	0.978	1.000

Table 3: Adjustment Multipliers for 2nd and 3rd Year True Up Payments:

		Initial Price Level									
		Level A	Level B	Level C	Level D	40K Premium Level	60K Premium Level	80K Premium Level	120K Premium Level	300K Premium Level	500K Premium Level
Ending Price Level	Level A	1.000	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070
	Level B	0.929	1.000	1.070	1.070	1.070	1.070	1.070	1.070	1.070	1.070
	Level C	0.852	0.917	1.000	1.070	1.070	1.070	1.070	1.070	1.070	1.070
	Level D	0.786	0.846	0.923	1.000	1.020	1.042	1.064	1.070	1.070	1.070
	40K Premium Level	0.771	0.829	0.905	0.980	1.000	1.021	1.043	1.059	1.070	1.070
	60K Premium Level	0.755	0.812	0.886	0.960	0.980	1.000	1.021	1.038	1.055	1.067
	80K Premium Level	0.739	0.795	0.868	0.940	0.959	0.979	1.000	1.016	1.033	1.044
	120K Premium Level	0.727	0.783	0.854	0.925	0.944	0.964	0.984	1.000	1.016	1.028
	300K Premium Level	0.715	0.770	0.840	0.910	0.929	0.948	0.968	0.984	1.000	1.011
	500K Premium Level	0.708	0.762	0.831	0.900	0.918	0.937	0.957	0.973	0.989	1.000

Addendum A (Continued)

Table 4: Initial Annual Reference Prices for Component Enterprise Products in enrollments executed during first annual pricing period:

Enterprise Product	New 3-Year Enterprise Enrollment	Renewal 3-Year Enterprise Enrollment	Family	EA Level for Family
Office Pro	$ 177.66	$ 93.06	Office	80K - 120K
Office Std	$ 147.58	$ 77.08	Office	80K - 120K
Windows Professional	$ 53.58	$ 38.54	Windows	80K - 120K
Windows CAL	$ 11.28	$ 5.64	CAL	80K - 120K
Exchange CAL	$ 24.44	$ 12.22	CAL	80K - 120K
SharePoint CAL	$ 26.32	$ 13.16	CAL	80K - 120K
SMS CAL	$ 15.04	$ 7.52	CAL	80K - 120K
SQL CAL	$ 53.58	$ 26.32	CAL	80K - 120K
Core CAL (Windows, Exchange, Sharepoint, & SMS CALs)	$ 72.38	$ 34.78	CAL	80K - 120K
BackOffice CAL (Windows, Exchange, SQL, & SMS CALs)	$ 100.17	$ 49.63	CAL	80K - 120K

Table 5: Original True Up Reference Prices for component Enterprise Products in enrollments executed during first annual pricing period:

Enterprise Product	1st Anniv. True Up	2nd Anniv. True Up	3rd Anniv. True Up	Family	EA Level for Family
Office Pro	$ 491.62	$ 408.90	$ 326.18	Office	80K - 120K
Office Std	$ 408.90	$ 340.28	$ 271.66	Office	80K - 120K
Windows Professional	$ 142.88	$ 109.98	$ 76.14	Windows	80K - 120K
Windows CAL	$ 30.08	$ 25.38	$ 20.68	CAL	80K - 120K
Exchange CAL	$ 66.74	$ 56.40	$ 46.06	CAL	80K - 120K
SharePoint CAL	$ 71.44	$ 60.16	$ 49.82	CAL	80K - 120K
SMS CAL	$ 40.42	$ 34.78	$ 28.20	CAL	80K - 120K
SQL CAL	$ 148.52	$ 125.96	$ 103.40	CAL	80K - 120K
Core CAL (Windows, Exchange, Sharepoint, & SMS CALs)	$ 199.28	$ 169.20	$ 138.18	CAL	80K - 120K
BackOffice CAL (Windows, Exchange, SQL, & SMS CALs)	$ 273.54	$ 231.24	$ 189.88	CAL	80K - 120K